

## KENTUCKY REAL ESTATE APPRAISERS BOARD

### TYPE OF MEETING

Regular Meeting

### DATE AND LOCATION

May 27, 2016 - Board Office

### PRESIDING OFFICER

Thomas Oliver, Chair

### ROLL CALL

#### Present:

Thomas Oliver, Board Member  
Kathy Mayfield, Board Member  
Dann Cann, Board Member  
Dwain Wheeler, Board Member

#### Present Also:

Larry Disney, Executive Director  
Tom Veit, Executive Assistant  
Angie Thomas, Staff Assistant  
Nicole Biddle, Attorney General Office

#### Absent:

Jeff Fultz, Board Member  
Kim Mathias, Executive Secretary

Chair, Thomas Oliver opened the meeting by welcoming the guest in attendance.

### MINUTES

Motion by Dwain Wheeler, second by Kathy Mayfield and the Board unanimously approved the March 25, 2016 minutes. Roll call – Kathy Mayfield – Yes; Dann Cann – Yes; Dwain Wheeler – Yes.

## EDUCATION

Motion by Kathy Mayfield, second by Dwain Wheeler and the Board unanimously approved the following education courses for Fiscal Year 2015-2016 and 2016-17. Roll call – Kathy Mayfield – Yes; Dann Cann – Yes; Dwain Wheeler - Yes.

1. Appraisal Institute
  - A. 2016-17 National USPAP Update Equivalent Course – 7 hours CE Online
  - B. 2016 Annual Conference Sessions – Day One – 2 hours CE Classroom
  - C. 2016 Annual Conference Sessions – Day Two AM – 3 hours CE Classroom
  - D. 2016 Annual Conference Sessions – Day Two PM – 4 hours CE Classroom
  - E. 2016 Annual Conference Sessions – Day Three – 4 hours CE Classroom
  - F. Online FHA Appraising: Principles & Procedures – 7 hours CE Online
  - G. Case Studies in Appraising Green Residential Building – 7 hours CE Classroom
2. American Society of Farm Managers & Rural Appraisers
  - A. Appraising Natural Resources – 8 hours CE classroom
3. McKissock Instructor approval to instruct the courses listed:
  - A. Steven Craddock
    1. A Review of Disciplinary Cases –Live Webinar
    2. Adjustments: Supported or Not Supported? – Live Webinar
    3. Analyze This! Applications of Appraisal Analysis – Live Webinar
    4. Expert Witness Testimony – To Do or Not to Do – Live Webinar
    5. Fannie Mae Appraisal Guidelines – Live Webinar
    6. The New FHA Handbook 4000.1 – Live Webinar
    7. UAD – Up Close and Personal – Live Webinar
    8. Work File: Your Best Defense Against an Offense – Live Webinar
    9. Reviewer's Checklist – Live Webinar
  - B. Joshua Walitt
    1. A Review of Disciplinary Cases –Live Webinar
    2. Adjustments: Supported or Not Supported? – Live Webinar
    3. Analyze This! Applications of Appraisal Analysis – Live Webinar
    4. Expert Witness Testimony – To Do or Not to Do – Live Webinar
    5. Fannie Mae Appraisal Guidelines – Live Webinar
    6. The New FHA Handbook 4000.1 – Live Webinar
    7. UAD – Up Close and Personal – Live Webinar
    8. Work File: Your Best Defense Against an Offense – Live Webinar
    9. Reviewer's Checklist – Live Webinar

C. Robert McClelland

1. A Review of Disciplinary Cases –Live Webinar
2. Adjustments: Supported or Not Supported? – Live Webinar
3. Analyze This! Applications of Appraisal Analysis – Live Webinar
4. Expert Witness Testimony – To Do or Not to Do – Live Webinar
5. Fannie Mae Appraisal Guidelines – Live Webinar
6. The New FHA Handbook 4000.1 – Live Webinar
7. UAD – Up Close and Personal – Live Webinar
8. Work File: Your Best Defense Against an Offense – Live Webinar
9. Reviewer's Checklist – Live Webinar

Motion by Dwain Wheeler, second by Kathy Mayfield and the Board unanimously approved the following education courses for Fiscal Year 2015-2016 and 2016-17. Roll call – Kathy Mayfield – Yes; Dann Cann – Yes; Dwain Wheeler - Yes.

4. McKissock
  - A. Residential Appraisal Review and USPAP Compliance – 7 hours CE online
5. OnCourse Real Estate Inc., Career Webschool
  - A. Appraisal Math and Statistics – 7 hours CE online
6. U.S. Environmental Protection Agency
  - A. Aquatic Resource Awareness for Real Estate Appraisers – 2 hours CE online
7. Hondros College of Business
  - A. Advanced Residential Applications and Case Studies – 15 hours QE Online
  - B. Specialized Residential Appraisal Topics – 20 hours QE and CE Online

Motion by Dann Cann, second by Dwain Wheeler and the Board unanimously approved the following education courses for Fiscal Year 2016-17. Roll call –Kathy Mayfield – Yes; Dann Cann – Yes; Dwain Wheeler - Yes.

8. Renewals for FY 16-17 (See Attached)
  - A. OnCourse Real Estate Inc. – Career Webschool
  - B. McKissock, LLC
  - C. NAIFA
  - D. ASFMRA
  - E. Hondros College of Business
  - F. Allterra Group
  - G. Dept. of Revenue Office of Property Valuation
    1. KY Course 80 – Residential Real Property Appraisal – 15 hour CE Classroom
    2. KY Course 72 – Commercial Real Property Appraisal – Income/Sales Comparison – 15 hours CE Classroom

9. Course Completion Certificate Submission and courses approved through the AQB Course approval program.

### EXPERIENCE REVIEW

Motion by Dann Cann, second by Kathy Mayfield and the Board unanimously approved the experience for the following individual. Roll call –Kathy Mayfield – Yes; Dann Cann – Yes; Dwain Wheeler - Yes.

- a. Rebecca Abbott – Approve Experience for Certified General – She needs to pass the Certified General Exam.
- b. Sara Carter – Approve Experience for Certified Residential -- She needs to pass the Certified Residential Exam
- c. Matthew Sexton – Approve Experience for Certified General – He needs to pass the Certified General Exam.
- d. Michael Terry – Approve Experience for Certificate Residential – He needs to pass the Certified Residential Exam.

### CERTIFICATION/LICENSURE

Approval – Appraisers – Motion by Dann Cann, second by Dwain Wheeler and the Board voted to approve the following certification list of appraisers. Roll call –Kathy Mayfield – Yes; Dann Cann – Yes; Dwain Wheeler - Yes.

#### 1. Appraisers

- A. John Kendall Bailey - Associate
- B. Andrew Baird – Certified General
- C. Amelia Demoisey – Certified Residential
- D. Ty Dillingham - Associate
- E. Troy L. Fatout – Certified General (MO)
- F. Gregory M. Forgach – Certified Residential
- G. Kelly M. Fried – Certified General (OH)
- H. Martin R. Guenther – Certified General (KS)
- I. John C. Hottle, Jr. – Certified General (MO)
- J. Jason Krentler – Certified General (MI)
- K. Allen Eugene Lavelle – Certified General (CA)
- L. Luke A. Nordine – Certified General (IN)
- M. Jai B. Patel – Certified General (TN)
- N. James Sitzman – Certified Residential (IN)

Approval – Appraisal Management Companies – Motion by Kathy Mayfield, second by Dann Cann and the Board voted to approve the following certification list of appraisers. Roll call –Kathy Mayfield – Yes; Dann Cann – Yes; Dwain Wheeler –Yes.

2. Appraisal Management Companies
  - A. Consolidated Analytics, Inc. - #161
  - B. Exos Valuations, LLC - #162

## COMPLAINT

1. The Board reviewed the Case Summary Chart. Tom Veit reported 13 appraiser cases and 0 AMC case have been filed for 2016.
2. Case No. 15-27– Motion by Dwain Wheeler, second by Dann Cann and the Board agreed to set the case for an informal mediation and if not successful, to set the case for a hearing. Roll call –Kathy Mayfield – Yes; Dann Cann – Yes; Dwain Wheeler – Yes.
3. Case No. 15-32– Motion by Dwain Wheeler, second by Kathy Mayfield and the Board agreed to dismiss the case. Roll call –Kathy Mayfield – Yes; Dann Cann – Yes; Dwain Wheeler – Yes.
4. Case No. 15-33– Motion by Dwain Wheeler, second by Kathy Mayfield and the Board agreed to dismiss the case. Roll call –Kathy Mayfield – Yes; Dann Cann – Yes; Dwain Wheeler – Yes.
5. Case No. 15-34– Motion by Kathy Mayfield, second by Dwain Wheeler and the Board agreed to set the case for an informal mediation and if not successful, to set the case for a hearing. Roll call –Kathy Mayfield – Yes; Dann Cann – Yes; Dwain Wheeler – Yes.
6. Case No. 15-28– Motion by Dwain Wheeler, second by Dann Cann and the Board agreed to dismiss the case. Roll call –Kathy Mayfield –recused herself from any vote because she participated in the pre-adjudicative phase of this preceding. Dann Cann – Yes; Dwain Wheeler – Yes.
7. Case No. 15-20 – Motion by Dann Cann, second by Kathy Mayfield and the Board agreed to accept the agreed order. Roll call –Kathy Mayfield – Yes; Dann Cann – Yes; Dwain Wheeler - recused himself from any vote because he participated in the pre-adjudicative phase of this preceding.
  - i. Respondent shall be fined the sum of \$1,000.00 with total amount due within six months of the signed agreed order.



- ii. Respondent agrees to submit an experience log of work each quarter for one year from the date of the signed agreed order. Respondent shall grant the Board members, Board staff, or assigns of the Board access to all appraisal, appraisal review and appraisal consulting files at such time as a request to view the files is presented.
8. Case No. 16-06 - Motion by Dwain Wheeler, second by Dann Cann and the Board agreed to accept the agreed order. Roll call –Kathy Mayfield – Yes; Dann Cann – Yes; Dwain Wheeler - Yes.
- (a) Respondent hereby agrees to be suspended for a period of two (2) years. Eight months of the suspension shall be served beginning April 1, 2015 and ending January 1, 2016 with the remainder of the suspension probated provided that the conditions set forth in paragraph 6 of this Agreed Order are met.
  - (b) Respondent shall have no associate real property appraisers or assume no responsibilities for supervising real property appraisers for a period of 2-years from the date of the signed agreed order;
  - (c) Respondent agrees to submit an experience log of work each quarter for two (2) years. Respondent shall grant the Board members, Board staff or assigns of the Board access to all appraisal, appraisal review and appraisal consulting files at such time as a request to review the files is presented.
9. Case No. 15-19 – Motion by Dwain Wheeler, second by Kathy Mayfield and the Board agreed to accept the agreed order. Roll call –Kathy Mayfield – Yes; Dann Cann – recused himself from any vote because he is participating in the pre-adjudicative phase of this preceding; Dwain Wheeler – Yes.
- (a) Respondent agrees to not appraiser uses more than one (1)- four (4) residential living unites.
  - (b) Respondent agrees to take the KREAB 7 hour KREAB update 2016 seminar by April 20, 2016. Said education can be awarded CE credit or the June 30, 2016 renewal cycle.
  - (c) Respondent agrees to have no trainees/associates for a minimum of two (2) years from the date of the AO.
  - (d) Respondent shall submit a log of assignments to the KREAB office every quarter for a period of one (1) year from the date of the AO is signed.
  - (e) Respondent agrees that the Board staff or individuals designated by the board shall be given access upon notice to files that may be requested by random selection from the assignment log.

10. Case No. 15-21 – Motion by Dann Cann, second by Kathy Mayfield and the Board agreed to accept the agreed order. Roll call –Kathy Mayfield – Yes; Dann Cann – Yes; Dwain Wheeler - recused himself from any vote because he is participating in the pre-adjudicative phase of this preceding...
1. Respondent shall be suspended thirty (30) days with time to be served from December 1, 2016 – December 31, 2016.
  2. Respondent shall be fined the sum of \$1,000.00 with total amount due within six months of the signed agreed order.
  3. Respondent agrees to submit an experience log of work each quarter for one year from the date of the signed agreed order. Respondent shall grant the Board members, Board staff, or assigns of the Board access to all appraisal, appraisal review and appraisal consulting files at such time as a request to view the files is presented

### ATTORNEY REPORT

1. Cases pending or on appeal
  - A. David Harrington – Case Nos. 08-49 through 08-57, 09-02, 09-03 and 09-07 – Referred in April to Court of Appeals waiting on their decision.

### MISCELLANEOUS

The Board reviewed and discussed the following information:

- A. Budget Ending March 31, 2016 and April 30, 2016 – Larry Disney advised the Board that current budget items were revised to account for unprogrammed and unanticipated costs in 2015-16 and the Board stayed within their allotted budget amounts and there is now a health budget.
- B. AARO Conference Update – Dann Cann and Dwain Wheeler reported on the conference in April 2016.
- C. AMC Final Rules – Nicole Biddle, Board Counsel, is working on the necessary changes that will need to be made to KREAB regulations.
- D. Kentucky Commission of Proprietary Education – Motion by Dann Cann, second by Dwain Wheeler and the Board unanimously agreed for Larry Disney to represent the Board at the June 10, 2016 committee hearing. Roll call –Kathy Mayfield – Yes; Dann Cann – Yes; Dwain Wheeler – Yes.
- E. Comments from The Appraisal Foundation
- F. KREAB Seminar Evaluations and Income/Expenses

G. Fee Study

H. Mentoring Appraisers – The Board advised Larry to pursue this matter with the attorney.

I. Larry Disney advised the Board he was appointed to the Appraisal Foundations Board of Trustees which is a non-paid position with the Foundation.

J. Angie Thomas advised the Board there has been 938 renewals processed to date.

K. ASC 2017 Review – March 22-24, 2017

L. June Board Meeting – Friday, June 24, 2016

#### Executive Session

Motion by Kathy Mayfield, second by Dwain Wheeler and Board agreed to go into Executive Session per KRS 61.810(1)(f). Larry Disney and Tom Veit Recused themselves and left the room. Roll call –Kathy Mayfield – Yes; Dann Cann – Yes; Dwain Wheeler – Yes.

Motion by Dwain Wheeler, second by Dann Cann and Board agreed to return from Executive Session. Roll call –Kathy Mayfield – Yes; Dann Cann – Yes; Dwain Wheeler – Yes.

Motion by Dwain Wheeler, second by Dann Cann and the Board agreed after reviewing all three bids submitted for investigation contract the Personal Service Contract will be awarded to Badger Investigative Services based on the vendor receiving the highest points awarded for qualifications. Roll call –Kathy Mayfield – Yes; Dann Cann – Yes; Dwain Wheeler – Yes.

Motion by Dwain Wheeler, second by Dann Cann and the Board unanimously agreed to adjourn the meeting. Roll call –Kathy Mayfield – Yes; Dann Cann – Yes; Dwain Wheeler – Yes.

  
\_\_\_\_\_  
Chair

  
\_\_\_\_\_  
Staff Assistant



# ONCOURSE REAL ESTATE INC. CAREER WEBSCHOOL

3100 Cumberland Blvd, Ste. 1450, Atlanta, GA 30339  
Contact Person: Dana Tauli (800) 532-7649

Web site: [www.careerwebschool.com](http://www.careerwebschool.com)

## COURSES APPROVED INTERNET/CD ROM PRE-LICENSING and CONTINUING EDUCATION CREDIT

*\*All approved pre-licensing courses will be accepted for continuing education credit.*

2016-2017 National USPAP Course Equivalent	15 hours
Basic Appraisal Principles	30 hours
Basic Appraisal Procedures	30 hours
Residential Appraiser Site Valuation and Cost Approach	15 hours
Residential Market Analysis and Highest & Best Use	15 hours
Residential Report Writing & Case Studies	15 hours
Residential Sales Comparison & Income Approaches	30 hours

## COURSES APPROVED INTERNET/CD ROM CONTINUING EDUCATION CREDIT

2016-2017 National USPAP Course Equivalent	7 hours
A URAR Form Review	7 hours
Cost Approach Overview	7 hours
Income Capitalization Overview	7 hours
Residential Appraiser Site Valuation and Cost Approach	14 hours
Residential Market Analysis and Highest & Best Use	14 hours
Residential Report Writing & Case Studies	14 hours
Sales Comparison Approach	7 hours



## MCKISSOCK, LLC

218 Liberty Street, Warren, PA 16365

Contact Person: Jackie Vincent (800) 328-2008

Web site: [www.mckissock.com](http://www.mckissock.com)

### COURSE APPROVED FOR BOTH **VIRTUAL PRE-LICENSING** AND **CONTINUING EDUCATION CREDIT**

*\*All approved pre-licensing courses will be accepted for continuing education credit.*

2016-2017 - National USPAP Course	15 hours
Advanced Residential Applications and Case Studies	15 hours
Appraisal Subject Matter Electives	20 hours
Basic Appraisal Principles	30 hours
Basic Appraisal Procedures	30 hours
Commercial Appraisal Review - Subject Matter Electives	15 hours
Expert Witness for Commercial Appraisers - Subject Matter Electives	15 hours
General Appraiser Income Approach	60 hours
General Appraiser Market Analysis and Highest and Best Use	30 hours
General Appraiser Report Writing and Case Studies	30 hours
General Appraiser Sales Comparison Approach	30 hours
General Appraiser Site Valuation and Cost Approach	30 hours
Residential Appraiser Site Valuation & Cost Approach	15 hours
Residential Market Analysis & Highest and Best Use	15 hours
Residential Report Writing and Case Studies	15 hours
Residential Sales Comparison and Income Approaches	30 hours
Statistics, Modeling & Finance	15 hours

### COURSES APPROVED **VIRTUAL CLASSROOM** **CONTINUING EDUCATION CREDIT**

2016-17 National USPAP Update - Virtual Classroom	7 hours
A Review of Disciplinary Cases - Live Webinar	3 hours
Adjustment: Supported or Not Supported? - Live Webinar	5 hours
Advanced Hotel Appraising - Full Service Hotels	7 hours
Analyze This! Applications of Appraisal Analysis - Live Webinar	4 hours
Appraisal of Assisted Living Facilities	8 hours
Appraisal of Fast Food Facilities	7 hours
Appraisal of Industrial Incubators	7 hours
Appraisal of Land Subject to Ground Leases	7 hours
Appraisal of Self-Storage Facilities	7 hours
Appraisal Review for Commercial Appraisers	7 hours
Appraisals of Owner-Occupied Commercial Properties	7 hours
Appraising Manufactured Homes - Virtual Classroom	7 hours
Appraising of Single Tenant Distribution Centers	6 hours
Appraising Small Apartment Properties	6 hours
Avoiding Mortgage Fraud for Appraisers	7 hours
Basic Hotel Appraising - Limited Service Hotels	7 hours
Essential Elements of Disclosures & Disclaimers	5 hours
Even Odder: More Oddball Appraisals - Virtual Classroom	7 hours
Expert Witness for Commercial Appraisers	12 hours
Expert Witness Testimony: To Do or Not To Do - Live Webinar	4 hours
Fannie Mae Appraisal Guidelines - Live Webinar	4 hours
Fundamental Concepts of Analysis	7 hours
Heating, Ventilation, and Air Condition Systems in Green Buildings	4 hours
Introduction to Legal Descriptions - Virtual Classroom	2 hours
Introduction to the Uniform Appraisal Dataset	2 hours
Managing Appraiser Liability	6 hours
Marcellus Shale: Effects of Energy Resource Operations	3 hours
Modern Green Building Concepts	6 hours
Mold, Pollution and the Appraiser	2 hours
Relocation Appraisal and New ERC Form	6 hours
REO and Foreclosures - Virtual Classroom	5 hours
Residential Appraisal Review - Virtual Classroom	7 hours
Residential Report Writing: More Than Forms - Virtual Classroom	7 hours
Reviewer's Checklist - Live Webinar	4 hours
The Cost Approach - Virtual Classroom	7 hours
The Dirty Dozen - Virtual Classroom	3 hours
The New FHA Handbook 4000.1	7 hours
The New FHA Handbook 4000.1 - Live Webinar	5 hours



The Nuts and Bolts of Green Building for Appraisers - Virtual Classroom	3 hours
The Sales Comparison Approach - Virtual Classroom	7 hours
The Thermal Shell - Virtual Classroom	3 hours
UAD - Up Close and Personal - Live Webinar	3 hours
Understanding Residential Construction	7 hours
Work File Your Best Defense Against an Offense - Live Webinar	5 hours

<b>COURSES APPROVED <i>CONTINUING EDUCATION</i> CREDIT</b>
--

2016-17 National USPAP Update	7 hours
Analyze This! Applications of Appraisal Analysis	4 hours
Appraisers: How to Recognize and Avoid Mortgage Fraud	7 hours
Expert Witness Testimony: To Do Or Not to Do	7 hours
Exploring Appraiser Liability	7 hours
Marcellus Shale and Appraisers	3 hours
Reviewer's Checklist	7 hours
Secondary Market Appraisal Guidelines	7 hours
Strange but True: Appraising Complex Residential Properties	7 hours
The Green Guide to Appraising	7 hours
The New FHA Handbook 4000.1	7 hours
UAD - Up Close and Personal	3 hours


## **NATIONAL ASSOCIATION OF INDEPENDENT FEE APPRAISERS**

330 N. Wabash Ave., #2000, Chicago, IL 60611

Contact Person: Meredith McCann (312) 321-6830

Web Site: [www.naifa.com](http://www.naifa.com)

### **COURSES APPROVED CONTINUING EDUCATION CREDIT**

2016-2017 National USPAP Update	7 hours
HUD Single Family Housing Policy Handbook-4000.1 Appraisal Review	7 hours
Residential Appraisal Review & USPAP Compliance	7 hours

## AMERICAN SOCIETY OF FARM MANAGERS & RURAL APPRAISERS

950 S. Cherry Street, Suite 508, Denver, CO 80246-2664

Contact Person: Deanna Ilk (303) 692-1222

Web Site: [www.asfmra.org](http://www.asfmra.org)

### COURSE APPROVED FOR BOTH **PRE-LICENSING** AND **CONTINUING EDUCATION CREDIT**

*\*All approved pre-licensing courses will be accepted for continuing education credit.*

Basic Appraisal Principles - A-101	30 hours
Basic Appraisal Procedures - Revised	30 hours
Cost Approach for General Appraisers	30 hours
Eminent Domain	22 hours
Foundations of Appraisal Review	40 hours
General Market Analysis and Highest & Best Use	30 hours
Income Approach for General Appraisers, Part 1	30 hours
Integrated Approaches to Value	30 hours
National USPAP Course 2016-17	15 hours
Sales Comparison Approach for General Appraisers	30 hours

### COURSES APPROVED **CONTINUING EDUCATION CREDIT**

2016-17 National USPAP Update	7 hours
Advanced Appraisal Exam Preparation Course	20 hours
Advanced Rural Case Studies	36 hours



## HONDROS COLLEGE OF BUSINESS

4140 Executive Pkwy., Westerville, OH 43081

Contact Person: Aimee High (614) 508-6223

Website: [www.hondros.com](http://www.hondros.com)

### COURSE APPROVED FOR BOTH **ONLINE PRE-LICENSING** AND **CONTINUING EDUCATION CREDIT**

*\*All approved pre-licensing courses will be accepted for continuing education credit.*

2016-2017 National USPAP	15 hours
Basic Appraisal Principles	30 hours
Basic Appraisal Procedures	30 hours
Residential Appraiser Site Valuation and Cost Approach	15 hours
Residential Market Analysis and Highest and Best Use	15 hours
Residential Report Writing and Case Studies	15 hours
Residential Sales Comparison and Income Approaches	30 hours
Statistics, Modeling and Finance	15 hours

### COURSES APPROVED **ONLINE CONTINUING EDUCATION CREDIT**

2016-2017	7 hours
Better Safe Than Sorry	7 hours
Defensible Appraising	7 hours

## ALLTERRA GROUP, LLC

9927 Stephen Decatur Highway, Suite G16, Ocean City, MD 21842  
Contact Person: Karen Connolly (513) 490-0226

Web Site: [www.allterraonline.com](http://www.allterraonline.com)

### COURSES APPROVED **ON-LINE** CONTINUING EDUCATION CREDIT

A Practical Guide to Appraisal Review	7 hours
Appraisal of Single Family Residential New Construction	7 hours
Basic Charts and Graphs	5 hours
FHA Appraisals and Reporting Requirements	7 hours